WYC::Imp 12/19/03 60319

**PATENT** 

Barnett does not explicitly disclose triggering two different responses when the object is read at two locations.

Yet the Examiner's assertions concerning Official Notice purport to address only Barnett's failure to disclose digital watermarking. The art, and the Action, are silent concerning the second bulleted deficiency.

Given this unresolved deficiency in the rejection, applicants submit that the Office has not met its prima facie burden under Section 103.

Moreover, the rationalc proposed by the Examiner as supporting the proposed modification/combination of art is deficient. For example, the rationale seems based on making a coupon impossible to reproduce by photocopying, when such an ambition is not an element of - or necessarily desirable in - methods according to claim 2.

Again, it appears the Section 103 rejection will not stand BPAI scrutiny.

## IDS

Applicants note with appreciation that the art listed in the IDS filed September 15, 2003 has been considered. However, a copy of the initialed form listing such art was not included with the last Action. Kindly send such a copy with the next communication.

Favorable reconsideration is requested.

Date: December 19, 2003

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Respectfully submitted,

DIGIMARC CORPORATION

William Y. Conwell

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Final Action, page 7, lines 7-8.